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WHY FANTASY SPORTS IS NOT GAMBLING

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WHY FANTASY SPORTS IS NOT GAMBLING

It's A Game of Skill

Fantasy sports leagues are games of skill. Managers must take into account a myriad of statistics, facts and game theory in order to be competitive. There are thousands of websites, magazines and other such publications that seek to synthesize the vast amounts of available fantasy sports information to keep their readers informed and competitive. A manager must know more than simple depth charts and statistics to win; they also must take into account injuries, coaching styles, weather patterns, prospects, home and away statistics, and many other pieces of information in order to be a successful fantasy sports manager.

The highest levels of competition within fantasy sports (for example, the National Fantasy Baseball Championship) routinely see top players win games more frequently than if the contests were random or highly based on chance. It's a pattern that has been repeated with many fantasy sports contests and competitions: the highly skilled fantasy player wins more frequently.

The Federal government Does Not Define Fantasy Sports As Gambling.

The Unlawful Internet Gambling Enforcement Act of 2006 included "carve out" language that clarified the legality of fantasy sports. It was passed by Congress and signed into law on October 13, 2006 by President George W. Bush. The act makes transactions from banks or similar institutions to online gambling sites illegal, with the notable exceptions of fantasy sports, online lotteries and horse/harness racing.

The bill specifically exempts fantasy sports games, educational games or any online contest that "has an outcome that reflects the relative knowledge of the participants, or their skill at physical reaction or physical manipulation (but not chance), and, in the case of a fantasy or simulation sports game, has an outcome that is determined predominantly by accumulated statistical results of sporting events, including any non-participant's individual performances in such sporting events..."

Gambling-Sensitive Organizations Support Fantasy Sports

It's hard to find organizations that are more sensitive to the issues of sports gambling than Major League Baseball and the National Football League. Both leagues support fantasy sports, help market fantasy sports to consumers and even operate and promote fantasy sports games, both free and pay-to-play, on their official web sites (MLB.com and NFL.com). Similarly, all the major professional sports leagues support and often host their own fantasy sports leagues: NASCAR, NHL, PGA, NBA and many more. Almost all of the major media companies in the U.S., many of which are very sensitive to any association with sports gambling, support and promote fantasy sports: Yahoo!, ESPN, NBC, Sports Illustrated, CBS and many more.

The Behavior of Fantasy Sports Players Differs Greatly from Sports Bettors

Fantasy sports players are motivated to enter the hobby for reasons that have nothing to do with money or prizes. The vast majority of fantasy sports players participate in free contests that have no cash or material prizes (over 74 percent of the 30.6 million fantasy sports players in 2010 entered a contest or used league software that included no cash or material prize, according to an IPSOS research report). The only enjoyment is winning and competing against other sports fans. In fact, frequent surveys of fantasy sports players show that the top reasons for playing include "competing with friends," "enhance my sports experience" and "to be in a league with friends." A 2008 survey of fantasy sports users from the Fantasy Sports Trade Association showed winning money or prizes wasn't in the top five reasons for playing fantasy sports and winning a prize was a motivating factor for less than 20 percent of players. Surveys continue to show fantasy sports players do not show the negative/compulsive behaviors associated with gambling, where the motivation to gamble is overwhelmingly focused on winning money or prizes.

And lastly...

No fantasy sports company has ever been the subject of prosecution for gambling.



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